

**ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2005**

	January-05				December-04				September-04				Current Fiscal YTD	Prior Year FY04	3 Years Ended 6/30/2004	5 Years Ended 6/30/2004
	Market Value	Allocation	Policy	Month Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Net ROR	Net ROR	Net	Net
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
LA Capital	63,720,370	4.3%	4.5%	-3.45%	65,982,239	4.5%	4.5%	10.52%	59,679,713	4.4%	4.5%	-4.17%	2.26%	N/A	N/A	N/A
Total Structured Growth	63,720,370	4.3%	4.5%	-3.45%	65,982,239	4.5%	4.5%	10.52%	59,679,713	4.4%	4.5%	-4.17%	2.26%	19.20%	-5.87%	-7.07%
<i>Russell 1000 Growth</i>				-3.35%				9.17%				-5.23%	0.00%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>																
LSV	70,657,056	4.8%	4.5%	-1.58%	71,767,837	4.9%	4.5%	9.12%	65,776,002	4.9%	4.5%	3.11%	10.74%	29.44%	9.20%	8.31%
<i>Russell 1000 Value</i>				-1.78%				10.38%				1.54%	10.09%	21.13%	2.96%	0.64%
<i>Enhanced Russell 1000 Index</i>																
LA Capital	84,971,231	5.8%	6.0%	-2.63%	87,251,935	5.9%	6.0%	9.18%	79,918,625	5.9%	6.0%	-2.24%	3.93%	18.59%	-0.17%	N/A
<i>Russell 1000</i>				-2.52%				9.80%				-1.81%	5.09%	19.48%	-0.32%	N/A
<i>Enhanced S&P 500 Index</i>																
Northern Trust	85,847,309	5.9%	6.0%	-2.35%	87,947,012	6.0%	6.0%	9.18%	80,550,760	5.9%	6.0%	-2.17%	4.30%	19.00%	-0.31%	N/A
Strong	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	67	0.0%	0.0%	N/A	N/A	21.13%	-0.06%	N/A
Westridge	85,626,585	5.8%	6.0%	-2.40%	87,715,150	6.0%	6.0%	9.50%	80,248,225	5.9%	6.0%	-1.94%	4.80%	19.30%	-0.36%	N/A
Total Enhanced S&P 500 Index	171,473,894	11.7%	12.0%	-2.38%	175,662,163	11.9%	12.0%	9.34%	160,799,052	11.9%	12.0%	-2.13%	4.47%	19.81%	-0.24%	N/A
<i>S&P 500</i>				-2.44%				9.23%				-1.87%	4.58%	19.11%	-0.69%	N/A
<i>S&P 500 Index</i>																
State Street	43,597,704	3.0%	3.0%	-2.43%	44,684,118	3.0%	3.0%	9.23%	40,906,354	3.0%	3.0%	-1.87%	4.59%	19.08%	-0.67%	-2.17%
<i>S&P 500</i>				-2.44%				9.23%				-1.87%	4.58%	19.11%	-0.69%	-2.20%
TOTAL LARGE CAP DOMESTIC EQUITY	434,420,255	29.6%	30.0%	-2.46%	445,348,292	30.2%	30.0%	9.44%	407,079,746	30.1%	30.0%	-1.59%	5.05%	20.38%	0.08%	-2.14%
<i>S&P 500</i>				-2.44%				9.23%				-1.87%	4.58%	19.11%	-0.69%	-2.20%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	144,237,621	9.8%	10.0%	-4.41%	161,003,016	10.9%	10.0%	14.79%	140,141,595	10.3%	10.0%	-3.59%	5.79%	33.33%	5.76%	N/A
<i>Russell 2000 + 200bp</i>				-4.01%				14.64%				-2.36%	7.45%	35.99%	8.43%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	144,237,621	9.8%	10.0%	-4.41%	161,003,016	10.9%	10.0%	14.79%	140,141,595	10.3%	10.0%	-3.59%	5.79%	33.33%	5.76%	6.81%
<i>Russell 2000</i>				-4.17%				14.09%				-2.86%	6.21%	33.36%	6.24%	6.63%
INTERNATIONAL EQUITY																
<i>Large Cap - Core</i>																
State Street	31,419,523	2.1%	2.0%	-1.85%	32,003,872	2.2%	2.0%	10.22%	55,531,355	4.1%	4.0%	-1.24%	6.84%	27.44%	0.42%	-1.44%
<i>MSCI EAFE (1)</i>				-1.83%				11.69%				-0.72%	8.85%	26.98%	-1.27%	-1.15%
<i>Large Cap - Active</i>																
Capital Guardian	90,670,839	6.2%	6.0%	-0.86%	91,536,877	6.2%	6.0%	10.34%	133,595,539	9.9%	10.0%	-1.48%	7.78%	25.40%	-1.15%	1.54%
LSV	87,504,295	6.0%	6.0%	0.48%	87,045,594	5.9%	6.0%		-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Transition Account	17,024	0.0%	0.0%	N/A	(11,567)	0.0%	0.0%		-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Bank of Ireland	30,535,460	2.1%	2.0%	-3.42%	31,599,819	2.1%	2.0%	16.02%	27,293,030	2.0%	2.0%	-1.07%	10.85%	23.61%	N/A	N/A
Total Large Cap - Active	208,727,617	14.2%	14.0%	-0.69%	210,170,723	14.3%	14.0%	11.63%	160,888,569	11.9%	12.0%	-1.41%	9.30%	25.11%	-0.79%	1.76%
<i>MSCI EAFE - 50% Hedged</i>				-0.52%				11.11%				-0.72%	9.74%	26.98%	-1.27%	-1.15%
<i>Small Cap - Active</i>																
Lazard	31,138,008	2.1%	2.0%	0.86%	30,854,206	2.1%	2.0%	16.15%	29,180,441	2.2%	2.0%	0.76%	18.03%	44.40%	N/A	N/A
Wellington	31,267,168	2.1%	2.0%	3.45%	30,205,029	2.0%	2.0%	13.12%	26,767,860	2.0%	2.0%	-4.63%	11.61%	42.26%	N/A	N/A
Total Small Cap - Active	62,405,176	4.3%	4.0%	2.14%	61,059,235	4.1%	4.0%	14.63%	55,948,301	4.1%	4.0%	-1.92%	14.83%	43.25%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				2.20%				16.82%				-0.82%	18.41%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	302,552,317	20.6%	20.0%	-0.24%	303,233,831	20.6%	20.0%	11.66%	272,368,226	20.1%	20.0%	-1.47%	9.75%	29.19%	2.00%	1.63%
<i>MSCI EAFE - 50% Hedged</i>				-0.52%				11.11%				-0.72%	9.74%	26.98%	-1.27%	-1.15%
EMERGING MARKETS EQUITY																
<i>Capital Guardian</i>	82,722,605	5.6%	5.0%	0.62%	82,213,159	5.6%	5.0%	15.37%	71,213,912	5.3%	5.0%	7.64%	24.96%	27.91%	8.93%	2.83%
<i>MSCI Emerging Markets Free</i>				0.32%				17.27%				8.25%	27.35%	33.50%	13.09%	3.25%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	10,004,221	0.7%	0.5%	0.28%	10,020,510	0.7%	0.7%	1.25%	9,893,768	0.7%	0.7%	3.67%	5.26%	2.02%	8.00%	8.39%
<i>Lehman Aggregate</i>				0.63%				0.96%				3.20%	4.84%	0.32%	6.35%	6.95%
<i>Active Duration</i>																
WestAM (Criterion)	9,881,133	0.7%	0.5%	0.49%	9,882,343	0.7%	0.7%	1.06%	9,775,925	0.7%	0.7%	2.75%	4.34%	-0.25%	5.14%	6.43%
<i>Lehman Aggregate</i>				0.63%				0.96%				3.20%	4.84%	0.32%	6.35%	6.95%
<i>Index</i>																
Bank of ND	17,409,880	1.2%	1.0%	0.71%	16,693,090	1.1%	1.0%	0.70%	16,518,805	1.2%	1.0%	3.46%	4.91%	-1.03%	6.88%	7.04%
Bank of ND Match Loan CD Program	10,651,892	0.7%	0.7%	0.43%	10,824,888	0.7%	0.7%	1.26%	10,769,356	0.8%	0.8%	1.21%	2.92%	5.08%	5.57%	5.70%
Total Index	28,061,772	1.9%	1.8%	0.62%	27,517,978	1.9%	1.8%	0.87%	27,288,161	2.0%	1.8%	3.05%	4.59%	0.23%	6.79%	6.83%
<i>Lehman Gov/Credit</i>				0.69%				0.80%				3.56%	5.11%	-0.72%	6.73%	7.10%
<i>Convertibles</i>																
TCW	10,121,280	0.7%	0.5%	-1.98%	10,430,201	0.7%	0.7%	8.54%	9,608,671	0.7%	0.7%	-3.94%	2.20%	16.74%	0.51%	3.89%
<i>Merrill Lynch All Convertibles</i>				-2.29%				5.37%				-1.05%	1.87%	14.44%	4.95%	5.78%

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	Market Value	Allocation	Policy	Month Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Net ROR	Net ROR	Net	Net
BBB Average Quality																
Wells Capital (formerly Strong)	10,115,888	0.7%	0.5%	1.43%	10,069,282	0.7%	0.7%	3.94%	9,663,964	0.7%	0.7%	4.62%	10.29%	1.29%	6.26%	7.23%
<i>Lehman BBB</i>				1.56%				1.69%				4.76%	8.20%	1.23%	8.23%	6.60%
Timberland																
RMK	12,282,332	0.8%	0.8%	-0.07%	12,342,576	0.8%	0.8%	8.02%	11,525,031	0.9%	0.9%	3.86%	12.10%	10.46%	N/A	N/A
TIR	32,465,437	2.2%	2.2%	48.02%	22,041,426	1.5%	1.5%	0.43%	22,009,199	1.6%	1.6%	N/A	N/A	N/A	N/A	N/A
Total Timberland	44,747,769	3.1%	3.1%	30.75%	34,384,001	2.3%	2.3%	3.04%	33,534,231	2.5%	2.5%	3.86%	39.93%	10.46%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	112,932,063	7.7%	7.0%	10.88%	102,304,315	6.9%	7.0%	2.69%	99,764,720	7.4%	7.0%	2.69%	16.93%	5.08%	6.35%	7.34%
<i>Lehman Aggregate</i>				0.63%				0.96%				3.20%	4.84%	0.32%	6.35%	6.95%
HIGH YIELD BONDS																
Loomis Sayles	51,084,217	3.5%	3.5%	0.04%	51,040,334	3.5%	3.5%	7.13%	49,601,155	3.7%	3.5%	6.23%	13.86%	N/A	N/A	N/A
<i>Lehman High Yield Cash Pay Index</i>				-0.12%				4.51%				4.85%	9.44%	N/A	N/A	N/A
Sutter/Wells Capital	49,433,038	3.4%	3.5%	-0.14%	49,477,228	3.4%	3.5%	3.98%	49,551,562	3.7%	3.5%	4.20%	8.20%	N/A	N/A	N/A
<i>Merrill Lynch High Yield Master II Index</i>				-0.10%				4.55%				4.63%	9.28%	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	100,517,255	6.9%	7.0%	-0.05%	100,517,562	6.8%	7.0%	5.56%	99,152,717	7.3%	7.0%	5.21%	11.00%	7.69%	6.68%	2.79%
<i>Lehman High Yield Bond Index</i>				-0.13%				4.57%				4.85%	9.50%	10.33%	9.30%	4.78%
INTERNATIONAL FIXED INCOME																
International Sovereign																
UBS Global (Brinson)	36,626,257	2.5%	2.5%	-1.96%	37,345,499	2.5%	2.5%	10.41%	34,125,615	2.5%	2.5%	3.06%	11.56%	7.86%	14.20%	6.47%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				-1.92%				10.63%				3.29%	12.08%	7.59%	13.65%	6.84%
International Core																
Brandywine	36,322,169	2.5%	2.5%	-2.35%	37,370,373	2.5%	2.5%	9.22%	35,132,176	2.6%	2.5%	4.74%	11.70%	9.65%	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				-2.07%				10.66%				3.49%	12.15%	5.20%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	72,948,425	5.0%	5.0%	-2.16%	74,715,872	5.1%	5.0%	9.81%	69,257,790	5.1%	5.0%	3.90%	11.63%	8.78%	14.41%	6.59%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				-1.92%				10.63%				3.29%	12.08%	7.59%	13.65%	6.84%
REAL ESTATE																
JMB	-			N/A	-			-86.10%	10,053			16.49%	N/A	1.45%	-5.90%	-3.04%
INVESCO	69,202,758			5.07%	57,225,804			-0.43%	55,084,827			-5.91%	-1.56%	6.72%	5.80%	7.59%
J.P. Morgan	57,838,287			1.17%	57,168,060			2.85%	55,581,986			3.83%	8.05%	11.11%	7.63%	9.54%
TOTAL REAL ESTATE	127,041,045	8.7%	9.0%	3.02%	114,393,864	7.8%	9.0%	1.27%	110,676,866	8.2%	9.0%	-0.88%	3.41%	8.87%	6.70%	8.55%
<i>NCREIF TOTAL INDEX</i>				1.54%				4.69%				3.42%	9.94%	10.82%	8.40%	9.33%
ALTERNATIVE INVESTMENTS																
Brinson IVCF III	1,058,524			0.00%	1,058,524			0.31%	1,055,213			2.48%	2.80%	16.88%	16.12%	56.18%
Coral Partners V	5,758,401			0.00%	5,759,222			-4.59%	6,008,076			6.37%	1.49%	-31.07%	-34.06%	-13.63%
Coral Partners V - Supplemental	680,072			0.00%	680,169			2.90%	714,519			2.37%	5.34%	30.44%	N/A	N/A
Coral Partners VI	3,710,122			0.00%	3,710,653			-2.08%	3,885,668			-0.28%	-2.35%	-21.72%	N/A	N/A
Brinson 1998 Partnership Fund	1,454,096			0.00%	1,454,304			-0.98%	1,718,793			3.37%	2.35%	9.41%	-7.52%	3.66%
Brinson 1999 Partnership Fund	2,646,041			0.00%	2,646,419			0.48%	2,562,361			0.48%	3.29%	14.66%	-9.09%	-1.33%
Brinson 2000 Partnership Fund	4,925,256			0.00%	4,925,961			3.30%	4,746,254			3.01%	6.41%	11.19%	-6.65%	N/A
Brinson 2001 Partnership Fund	2,632,041			0.00%	2,632,417			1.05%	2,144,359			0.81%	1.87%	6.64%	-2.03%	N/A
Brinson 2002 Partnership Fund	1,656,642			0.00%	1,656,879			-4.00%	1,207,228			-4.97%	-8.76%	14.42%	N/A	N/A
Brinson 2003 Partnership Fund	262,635			0.00%	262,672			2.02%	161,652			-2.71%	-0.74%	-4.63%	N/A	N/A
Total Brinson Partnership Funds	13,576,710			0.00%	13,578,653			1.45%	12,540,646			1.34%	2.81%	11.22%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,503,103			0.00%	1,503,318			7.91%	1,480,710			5.73%	14.09%	21.09%	8.14%	4.24%
Brinson 2000 Non-US Partnership Fund	1,714,738			0.00%	1,714,983			2.89%	1,805,456			3.24%	6.22%	15.38%	5.71%	N/A
Brinson 2001 Non-US Partnership Fund	1,292,537			0.00%	1,292,722			-1.63%	1,102,792			0.86%	-0.79%	16.63%	3.39%	N/A
Brinson 2002 Non-US Partnership Fund	2,115,905			0.00%	2,116,208			6.60%	1,799,011			0.27%	6.89%	18.67%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	569,359			0.00%	569,440			-0.78%	388,769			-0.12%	-0.90%	-3.93%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	74,412			0.00%	74,423			-1.76%	75,401			0.09%	-1.67%	N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	7,270,054			0.00%	7,271,094			3.85%	6,652,140			2.37%	6.31%	17.32%	N/A	N/A
Brinson BVCF IV	7,898,236			0.00%	7,692,424			-0.88%	8,484,884			6.66%	5.72%	21.17%	-9.85%	-10.01%
Matlin Patterson Global Opportunities	5,738,592			0.00%	5,739,414			4.11%	8,315,812			-3.26%	0.72%	13.00%	N/A	N/A
Matlin Patterson Global Opportunities II	4,416,141			0.00%	4,416,773				-			N/A	N/A	N/A	N/A	N/A
InvestAmerica	1,920,046			0.00%	1,920,321			0.00%	1,911,348			17.28%	17.28%	-7.73%	N/A	N/A
Hearthstone MSII	-			N/A	1			536.18%	217,788			106.69%	N/A	28.64%	20.32%	N/A
Hearthstone MSIII	11,261,005			0.00%	10,045,942			1.26%	9,874,955			-0.08%	1.18%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	63,287,902	4.3%	5.0%	0.00%	61,873,188	4.2%	5.0%	2.53%	59,661,050	4.4%	5.0%	2.91%	5.51%	3.39%	-11.65%	4.52%
CASH EQUIVALENTS																
Northern Trust STIF/STEP	25,986,977	1.8%	2.0%	0.20%	28,037,827	1.9%	2.0%	0.45%	25,121,066	1.9%	2.0%	0.44%	1.09%	1.44%	1.86%	3.48%
<i>90 Day T-Bill</i>				0.17%				0.48%				0.37%	1.02%	0.98%	1.71%	3.29%
TOTAL FUND	1,466,646,466	100.0%	100.0%	-0.36%	1,473,640,924	100.0%	100.0%	8.79%	1,354,437,687	100.0%	100.0%	0.04%	8.45%	19.30%	3.60%	2.91%
POLICY TARGET BENCHMARK				-1.16%				8.71%				0.61%	8.11%	18.20%	3.00%	2.43%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.